

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA

BP AMERICA PRODUCTION COMPANY,	*	CIVIL ACTION NO. 09-6218
et al.	*	
	*	
v.	*	SECTION "L"
	*	
NATIONAL OILWELL VARCO, LP,	*	
et al.	*	MAGISTRATE 4

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**AFFIDAVIT OF SVEIN STUBSTAD**

STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared Svein Stubstad, a person known to me or who provided sufficient identification, and who after being duly sworn to tell the truth under penalty of perjury, stated the following to be true and correct:

1. My name is Svein Stubstad. I am over eighteen years of age, I have never been convicted of a felony or a misdemeanor involving moral wrongdoing, I am in possession of my mental faculties, and I am otherwise competent to make this affidavit. The information contained in this affidavit is based on my personal knowledge or derived from business records of what was once

Hydralift, Inc. and is now part of National Oilwell Varco, L.P. ("NOV"), the defendants in the above-referenced lawsuit. The information in this affidavit is true and correct.

2. I am employed by NOV. In 2002 and 2003 I was employed with Hydralift, Inc. as an engineering supervisor with my office located in Houston, Texas. The planned acquisition of Hydralift was first announced in late 2002, and was done in late 2003. The people pertinent to the Mad Dog dispute who were with Hydralift, Inc. became NOV employees in October or November 2003 as part of the acquisition of Hydralift, Inc.'s parent company by NOV or an affiliated entity in 2003. In 2002, before the merger of National-Oilwell, L.P. and Varco, NOV was known simply as National-Oilwell, L.P.

3. In 2002, BP began the construction of a large deepwater offshore drilling and production facility known as the Mad Dog spar, and contracted with Pride Offshore, Inc., a subsidiary of Pride International, to build the facility. Pride (or an affiliated or subsidiary company) requested quotes for various equipment to be included in the facility's derrick equipment set (referred to in the industry and in this affidavit as the "DES"), including the rig skidding system, parking brakes, and related equipment. Beginning in 2002, I was involved in the sale of certain equipment, later including the parking brakes, for BP's Mad Dog platform which are the subject of this lawsuit. The negotiation and sale of the parking brakes by Hydralift, Inc. occurred in Houston.

4. Hydralift, Inc. did not have an office or people in Louisiana responsible for the design, manufacture, sale or installation of the parking brakes. All negotiations and discussions concerning the design, manufacture, sale, installation and/or modification of the parking brakes between Hydralift, Inc. or NOV and Pride occurred either in Texas, where Hydralift, Inc.'s principal office was and where NOV's principal office is located, or with representatives of what became NOV in Kristiansand, Norway.

5. The parking brakes for the Mad Dog were delivered to and installed on the Mad Dog DES in Texas. All inquiries which occurred after delivery of the parking brakes concerning installation, modifications or replacements parts were handled between Pride Offshore's Houston office and representatives of NOV in Houston. The following NOV witnesses involved in these services are located and work in Houston: Shawn Firenza, Tom Yost and Joey Begnaud. The following Pride witnesses involved in these services are or were located, work, or worked in Houston: Dan Kline, Ray Keenan, Harold Calais, and Vincent Nicolini.

6. Virtually all the witnesses identified in the Memorandum in Support of Defendants' Motion to Transfer live, lived, work, or worked in Texas and/or Norway. The following NOV witnesses involved in the sale, design and delivery of the parking brakes are located in Houston: Greg Norwood, Rolf Gullaksen, Tom Yost, and me. The following Pride witnesses involved in the sale, design and delivery of the parking breaks are or were located, work or worked in Texas: Trevor Smith, Craig Metcalf, Phillip Zhang, Thomas Duhon, James Allen, Ed Norwood, Dan Kline. The following BP witnesses involved in the sale, design and delivery of the parking brakes are or were located, work, or worked in Houston, Texas: Kevin Kennelly and Gavin Kidd. As far as I know, there are no key BP, Pride or NOV/Hydralift witnesses relative to the design, manufacture, installation and/or modification of the parking brakes who live in Louisiana.

7. The anticipated testimony of key BP employees who may be witnesses with respect to the contract between BP and Pride as well as the design of the Mad Dog DES are residents of Texas or work out of BP's Houston office.

8. All relevant books, records and/or documentation of the former entity Hydralift, Inc. and now NOV concerning the parking brakes and related issues involved in this dispute are located in NOV's offices in Houston or in Kristiansand, Norway. Pride and BP maintained their primary

operations offices with respect to the design, construction, installation, and operation of the Mad Dog in Houston.

9. According to a document supplied by BP, the recovered parking brakes are located at Stress Engineering's facility in Houston, where testing has reportedly already been performed by Stress Engineering.


10. Based upon the information reviewed in connection with the design and construction of the Mad Dog platform by BP and/or Pride, all of the non-party companies involved in the pertinent design and construction of the DES are located in Texas. For example, "Mustang Engineering, Inc." referred to in the Drilling Rig Construction and Purchase Contract (page 7, paragraph 10.03) and to which Pride was to submit invoices, is located in Houston. To my knowledge, few, if any, witnesses who don't work for the parties to the lawsuit are in Louisiana.

11. BP has retained an outside engineering firm, Stress Engineering, to conduct an investigation into the loss of the DES from the Mad Dog spar on September 11, 2008 during hurricane Ike. Stress Engineering's main office is located in Houston. Also, the testing reported by Stress Engineering was performed in Houston. In addition to the witnesses named above, the following BP, Pride and NOV witnesses involved in the post-hurricane investigation were or are located, work, or worked in Houston: Jonathan Gulick, Neil Cramond, Tammer Botros, Gavin Kidd, Dan Kline, Ed Norwood, Shawn Firenza, and Harold Calais.

12. If NOV has to defend this lawsuit in New Orleans, its employees and Texas counsel will spend a lot of time and money for travel, food and lodging to attend or testify at hearings in this case and to attend trial in New Orleans, far more than if they had to testify in Houston. If it is necessary for NOV employees whose offices are in Norway to travel to testify at trial, it would be more convenient for these witnesses travel to and from Houston since NOV has its principal office

here and the Norwegian employees will have access to the companies' offices, communication systems, computers and documents, which will minimize the impact on NOV's ongoing business by having these employees in the United States.

FURTHER, Affiant sayeth not.

  
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SVEIN STUBSTAD

Print name: SVEIN STUBSTAD

SWORN TO AND SUBSCRIBED before me January 8, 2010.

  
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NOTARY PUBLIC, STATE OF TEXAS

My Commission Expires: April 14, 2013

